

## **SJ-EXHIBIT 18**

1                   IN THE UNITED STATES DISTRICT COURT  
2                   FOR THE NORTHERN DISTRICT OF OHIO  
3                   EASTERN DIVISION  
4     IN RE:    NATIONAL                   :   MDL No. 2804  
5                   PRESCRIPTION OPIATE       :  
6     LITIGATION                           :   Case No. 17-md-2804  
7                   :  
8     APPLIES TO ALL CASES               :   Hon. Dan A. Polster  
9                   :  
10                   :  
11                   :  
12                   HIGHLY CONFIDENTIAL  
13                   SUBJECT TO FURTHER CONFIDENTIALITY REVIEW  
14                   - - - -  
15                   JANUARY 22, 2019  
16                   - - - -  
17                   VIDEOTAPED DEPOSITION OF WALTER WAYNE DURR,  
18                   taken pursuant to notice, was held at Marcus &  
19                   Shapira, One Oxford Center, 35th Floor, Pittsburgh,  
20                   Pennsylvania 15219, by and before Ann Medis,  
21                   Registered Professional Reporter and Notary Public in  
22                   and for the Commonwealth of Pennsylvania, on Tuesday,  
23                   January 22, 2019, commencing at 8:57 a.m.  
24                   - - - -  
25                   GOLKOW LITIGATION SERVICES  
26                   877.370.3377 ph | 917.591.5672 fax  
27                   deps@golkow.com  
28  
29

1       Exhibit 11?

2           A.     To a small degree.

3           Q.     Do you know -- assuming that any of  
4     these numbers are correct, and I'm qualifying  
5     that, but we're not sure -- what happened to these  
6     hydrocodone combination products shipped by HBC to  
7     the Giant Eagle pharmacies?

8           A.     They would have gone into our  
9     pharmacies.

10          Q.     And what happened to them after they  
11    went to the pharmacies?

12          A.     They would have filled legal  
13    prescriptions.

14          Q.     So, to your knowledge, were they  
15    diverted in any way?

16          A.     Not to my knowledge.

17          Q.     Do you know the difference between -- or  
18    do you know what the term diversion means?

19          A.     I do.

20          Q.     What does it mean to you?

21          A.     I believe that something is being pulled  
22    in a different direction than its intended purpose  
23    or intended sale or use.

24          Q.     You mentioned a couple of times in your  
25    testimony that HBC -- it's a single warehouse; is

1       that correct?

2           A.     Yes.

3           Q.     Located in Washington, PA?

4           A.     Yes.

5           Q.     Do you know what the size of that  
6       warehouse is?

7           A.     305,000 square feet.

8           Q.     And of that 305,000 square feet, how  
9       much is dedicated to pharmacy operations?

10          A.     There was 12,000 square feet and an  
11       additional 2,000 for a receiving area. So 14,000  
12       total.

13          Q.     14,000 for pharmacy?

14          A.     Yes.

15          Q.     Including all pharmaceutical products,  
16       even noncontrolled?

17          A.     Yes.

18          Q.     What portion of that 12,000 square feet  
19       were dedicated -- was the narc room, so-called  
20       narc room?

21          A.     Maybe 2,000 square feet.

22          Q.     Was the narc room partitioned off in  
23       some secure way from even the pharmacy room?

24          A.     Yes.

25          Q.     And was the pharmacy room partitioned

1 off from the rest of the warehouse?

2 A. Yes.

3 Q. And what was the rest of the warehouse,  
4 the other 292,000 square feet, what was that  
5 dedicated to?

6 A. That's health/beauty care items,  
7 cigarettes, tobacco, candy, mints.

8 Q. Okay.

9 A. General merchandise.

10 Q. And was all that product shipped to  
11 Giant Eagle grocery stores?

12 A. Yes.

13 Q. Did the HBC warehouse ship to any  
14 entities other than affiliated Giant Eagle grocery  
15 stores and Giant Eagle pharmacies?

16 A. Pharmacies, only Giant Eagle. For the  
17 grocery side, we did have some nonbanners and  
18 independent stores.

19 Q. Independent Giant Eagle stores?

20 A. Yes.

21 Q. All right. But for the pharmacy --

22 A. Giant Eagle only.

23 Q. -- was that Giant Eagle only?

24 A. Yes.

25 Q. And would that be to pharmacies

1 throughout the Giant Eagle regional chain?

2 A. Yes.

3 Q. Do you know approximately how many  
4 pharmacies are in the Giant Eagle regional chain?

5 A. I believe 200.

6 Q. About 200?

7 A. Yeah.

8 Q. Did Giant Eagle ever -- did the HBC  
9 warehouse ever supply any internet pharmacies?

10 A. No.

11 Q. Did the HBC pharmacy ever supply  
12 Schedule II opioids to any entity, including Giant  
13 Eagle?

14 A. No.

15 Q. Did the HBC warehouse -- with respect to  
16 the drugs at issue in this case, do you understand  
17 those to be Schedule II opioids?

18 A. Yes.

19 Q. And when Giant Eagle distributed --  
20 well, let me back up.

21 Giant Eagle never or the HBC warehouse never  
22 distributed Schedule II opioids; is that correct?

23 MR. HUDSON: Object to form.

24 THE WITNESS: No.

25

1 BY MR. BARNES:

2 Q. Did you understand hydrocodone  
3 combination products to be a Schedule III for a  
4 period of time before it was reclassified as a II?

5 A. Yes.

6 Q. And did the HBC warehouse, while it was  
7 a Schedule III, distribute hydrocodone combination  
8 products to Giant Eagle pharmacies only?

9 A. Yes.

10 Q. And when it was reclassified to a  
11 Schedule II, did HBC stop distributing that  
12 product?

13 A. Yes.

14 Q. Was that approximately in October of  
15 2014?

16 A. I believe so. Again, I was not there at  
17 that time.

18 Q. You talked a lot about the so-called  
19 inbound and outbound controls at the HBC  
20 warehouse. And I want to follow up a little bit  
21 on that.

22 By inbound, do you mean the purchasing into  
23 the warehouse?

24 A. Yes.

25 Q. Now, I want you to focus solely on

1 A. Again, getting rusty, but yes.

2 Q. What is the main purpose of the security  
3 requirement, in your understanding?

4 MR. HUDSON: Object to the form. Lack  
5 of foundation.

6 BY MR. BARNES:

7 Q. What does it require?

8 A. Theft diversion and suspicious order.

9 Q. And do you know whether or not  
10 compliance with that regulation is something that  
11 is dependent upon the specific facts of each  
12 specific distributor?

13 MR. HUDSON: Object to the form.

14 THE WITNESS: I would say yes.

15 BY MR. BARNES:

16 Q. In working with the DEA and during their  
17 multiple inspections before, during, and after the  
18 HBC narcotics room was set up or any of their  
19 surprise audits, did they at any time ever give  
20 you any indication that HBC was not in full  
21 compliance with the security requirement?

22 A. No, they did not.

23 MR. HUDSON: Object to the form.

24 BY MR. BARNES:

25 Q. What is your understanding of whether or